

Commissioner Mignon Clyburn
Schools, Health & Libraries Broadband (SHLB) Coalition
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Enhancing Broadband through Innovation, Investment and Inclusion.
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Thank you, John, for that kind introduction. Good morning, everyone. Let me just say you guys amaze me. It's Memorial Day weekend. It's a beautiful day. Pretty much everybody is checked out and ready for summer. And, as usual, you guys are hard at work. This is one situation where I believe "playing hooky" is appropriate and encouraged – so long as you're not skipping out early on my session.

What a pleasure it is for me to be able to say thank you in person for the Schools, Health and Libraries Broadband Coalition's (SHLB) advocacy on a wide range of issues, from the FCC's four universal service programs to Open Internet. The perspective of research and education networks is compelling and has been quite helpful as the agency wrestles with some of its most significant, and extremely complex, legal and policy questions.

Thanks especially for your passionate advocacy on reforming our Schools and Libraries program. While E-rate worked incredibly well for the dial-up era, it unquestionably needed to be reformed for the broadband age. As the daughter of a librarian, I was especially proud, while Acting Chair, to launch the proceeding which modernized this program. Because of the reforms you endorsed and we adopted last year, the FCC can finally say that it will be able to approve all funding requests for category one, and all funding requests category two (which include our WiFi reforms) for the 2015-16 funding year. But as proud as we are to say this, we are determined not to rest on our laurels.

We must ensure that the funding, which flows from E-rate reforms to deploy fiber and robust WiFi into all of our schools and libraries, is leveraged so that every child has access to world-class education. The FCC has embraced the goal of having 100 Megabits per 1,000 students to all of our schools in the near term, and 1 Gigabit per 1,000 students to all going forward. Ambitious? Yes. Achievable? Yes, but only, with your help.

I am optimistic, however, because SHLB understands that E-rate modernization was about far more than just adopting speed targets and revamping a budget. And I am optimistic, because the FCC remains focused on its objective of ensuring access to world-class digital learning tools – an objective shared by SHLB and the education community. But the FCC needs your continued feedback. Tell us how the reforms are working in practice, share any concerns you have and, of course, tell us what we are doing right, because positive feedback is welcome as well.

I mentioned that E-rate reforms were momentous; however, they represent just one piece of the universal broadband puzzle.

When we adopted the E-rate reforms last year, I referred to those efforts as part of “a three-legged stool, where all [of the] pieces need to be present for success: broadband at school, broadband in the library and broadband at home. Absent one leg, the stool does not stand.”

Today, I’d like to share my views on how revamping Lifeline -- the FCC’s universal service program focused on bridging the affordability gap, is equally imperative.

Congress charged the FCC with ensuring that all Americans, including low-income consumers and those in rural and high-cost areas, have affordable access to advanced telecommunications and information services. I believe that this agency, no ... I believe that all of *us*, have fallen short of this directive. Lifeline, the only universal service program focused on bridging the affordability gap, remains stuck in an era where leg warmers, stretch stirrup pants, and scrunchies were the fashion craze, and talking on our home telephone or sending a letter through the mail were the main means of communicating. Currently, funding for *Lifeline* directly supports voice only, and the program has not fundamentally changed since its creation in 1985, under President Ronald Reagan.

A rebooted 21st century Lifeline program, which focuses on ensuring that both voice and broadband services are affordable, could be one of the best investments our government ever makes. For \$9.25 a month, consumers can improve their lives, find a job, stay in touch with loved ones, enroll and take classes, monitor their health and maintain connection with doctors, engage in their communities, and participate in e-commerce. If done right, the program could bridge divides, and the network effects of a modernized program could be tremendous.

We need to reset and retarget not only Lifeline’s operations, but also our mindset about the program. Lifeline is meant to be a temporary bridge for those most in need. Indeed, the program’s actual goal should be for it to work so effectively that current subscribers will no longer need Lifeline, or any other federal benefits program, because we have created a successful program that meets the information and technology needs of those who qualify. These new connections to the digital economy could hold the key to turning these consumers lives around.

Last November, I outlined five principles to put this recalibrated Lifeline in motion:

- First, we must establish minimum service standards to extract the most value for each dollar of universal service support and ensure better levels of service for Lifeline recipients.
- Second, providers should no longer be responsible for determining customer eligibility. Lifeline is the only federal benefit program I know of, where the provider decides who qualifies. Doctors do not qualify patients for Medicaid, grocers do

not determine who gets SNAP and providers should not qualify Lifeline recipients. This must change. For providers, this change would yield significant administrative savings, and for consumers, it would bring an enhanced level of dignity to the customer experience.

- Third, we should encourage broader participation by eliminating unnecessary barriers that discourage provider participation. Consumers win when more providers participate with more choices and services. For example, cable companies do not participate today, but they participate in E-rate. We need to ask ourselves why, and then determine whether there is a separate approach we could take for Lifeline that encourages more participation, and has sufficient oversight to prevent waste, fraud and abuse.

- Fourth, we should not reinvent the wheel, but should leverage efficiencies from existing programs. For example, we could utilize already created databases to determine eligibility, streamline the process and administration.

- And, fifth, we need public-private partnerships and coordinated outreach efforts, because affordability alone is not the only barrier to adoption.

Data released by Pew underscores the need for reform, counters the assertion that a Lifeline subsidy should no longer be offered, and proves that point. According to Pew, 44% of low-income smartphone owners have had to cancel or suspend their service due to financial constraints. And for those whose only access to the Internet is their smartphone, 48% have had to cancel or shut off their cell phone for a period of time, because the cost of maintaining the service was a financial hardship.

Criticism that Lifeline does not serve its targeted audience, because people already have sufficient phone service is a myth. The Pew study shows that too many are struggling to maintain service, and we have a duty to respond. We have a duty to ensure that a Lifeline bridge exists when consumers need it to get back on their feet – but are not disconnected when they need it most.

I sincerely hope that SHLB, that each of you, will work with us to develop solutions to close the digital divide once and for all.

Waiting is not an option. Every day of delay is another day where we risk building technology bridges to nowhere – where the facilities are in the ground... and yes, that is great; where schools and libraries are connected... and yes, that is a must. But once these centers for learning are closed, the learning stops, the civic engagement comes to a halt, health care options cease, and job and entrepreneurial opportunities are lost.

Our job is not done, SHLB, because too many of our citizens are stuck in digital darkness, without the primary tool needed for seamless communications for health care, education, civic participation and professional advancement.

These citizens, our neighbors, should not have to wait another day, another week, month, or year longer, for that bridge to be built. So that these children - and

those families - who are disconnected, will no longer be forced to wait for the means to complete, on par, with their peers.

We know that low-income homes with children are four times more likely to lack broadband at home than their middle- or upper-income counterparts, according to Pew. But what we also know is that a technology-driven solution to address this unacceptable state of being is in plain sight. Our statute demands that we act with dispatch. Your mission affirms that we act.

Are we ready to move to the next phase, in our roles of being catalysts for improving connectivity in our communities?

The answer is: Yes.

Are we engaged, energized and passionate about working in tandem to win the race for greater opportunities for students, the low income, the elderly, migrants... all of those who currently cannot afford access?

The answer is: Yes.

The definition of a bridge is a structure which provides passage over a gap or barrier. SHLB, we have all the tools at our disposal needed to erect a structure that will bridge all of our persistent technology divides. Let us act now, because by working together, we can win this race.

Thank you.